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**ARIZONA CORPORATION COMMISSION**

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**LETTER OF DEFICIENCY**

**AZ CORP COMMISSION  
DOCUMENT CONTROL**

February 14, 2003

Arizona Corporation Commission

**DOCKETED**

FEB 14 2003

Mr. Lane R. Williams  
Midvale Telephone Exchange, Inc.  
Post Office Box 7  
Midvale, Idaho 83645

DOCKETED BY	CAT
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RE: MIDVALE TELEPHONE EXCHANGE, INC. - APPLICATION FOR AN  
AMMENDMENT TO MIDVALE'S CERTIFICATE OF PUBLIC CONVENIENCE AND  
NECESSITY (DOCKET NO. T-02532A-03-0017)

Dear Mr. Williams:

In reference to your application received on January 10, 2003, this letter is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-502.

Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the Company corrects the deficiencies and Docket Control receives an original and sixteen copies of the corrected application.

You have 60 calendar days, or until April 15, 2003 to correct the deficiencies, or make other arrangements with Staff to remedy your application for a CC&N amendment. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

Mr. Lane R. Williams  
February 14, 2003  
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The Staff persons assigned to your application are Wilfred Shand and Richard Boyles. Mr. Shand can be reached at (602) 542-0830 and I can be reached at (602) 364-0336, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,



Richard L Boyles  
Utilities Engineer  
Utilities Division

RLB:lhv

Enclosure

cc: Docket Control Center (sixteen copies)  
Robert Kennedy, Consumer Services  
Delbert Smith, Engineering  
Matthew Rowell, Telecommunications and Energy  
Lyn Farmer, Hearing Division  
Gary Horton, Legal Division  
Conley E. Ward, GIVENS PURSLEY, LLP

### DEFICIENCY ATTACHMENT

1. Exhibit A – Resolution is required regarding the sections to be included in the Application. This requires finalization of negotiations with Qwest and, based upon the outcome, a re-evaluation of the sections to be requested for addition to the Company's CC&N. The Application, as filed, overlaps Qwest's service area.
2. Letter to Qwest (dated February 4, 2003) – Qwest's response to this letter should be provided. Further, dependent upon the outcome of Item 1 above, a copy of a Qwest filing with the Commission requesting deletion of the sections in question, may need to be included with Midvale's Application.
3. Should resolution of Item 1 above result in a revision to the sections being requested for addition to Midvale's CC&N, all responses to Staff's Data Request 1 must be updated to reflect the impact of the revisions.
4. Response to Data Request RB 1.10 – Midvale has not indicated that it has a firm source of financing should its Application for a CC&N expansion be approved. Documentation from RUS indicating that funds are available upon approval of the Company's loan application should be included with the Application.
5. Page 2 – A descriptive summary of the findings from the "engineering and other studies" is not included with the Application.
6. Pages 2 and 3 – The Application does not include pertinent information in support of its ability to provide service in the requested sections such as 1) listing of required franchises/permits and projected dates for approval, 2) project timeline and dates by which the company commits to making service available, 3) results of preliminary engineering and descriptions of the plant to be placed and 4) a copy of a parallel Application for approval of financing.
7. An estimate of annual operating revenues and expenses that are expected to accrue from the proposed construction are not included.